



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

December 19, 2017

Mr. Richard Born, CEO
Aetna Better Health
2400 Veterans Memorial Blvd, Suite 200
Kenner, LA 70062

Dear Rick:

RE: Notice of Monetary Penalty - Failure to Submit Financial Reports Timely

Aetna Better Health (Aetna) has failed to submit financial reports timely as required by the contract between Aetna and LDH. The contract provides:

18.6 Financial Reporting

18.6.1 The MCO shall submit to DHH unaudited quarterly financial statements and an annual audited financial statement, using the required format provided by DHH. Quarterly financial statements shall be submitted no later than sixty (60) days after the close of each calendar quarter. Audited annual statements shall be submitted no later than six (6) months after the close of the MCO's fiscal year.

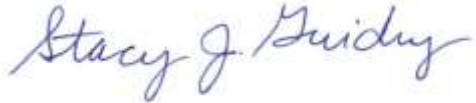
The 2017 third quarter financial reports were due to LDH on November 30, 2017, but Aetna did not submit these reports until December 8, 2017.

Per Section 20.3 of the contract, failure to submit accurate standing and ad hoc reports carries a monetary penalty of \$2,000 per calendar day each report is late or deemed incorrect. Because Aetna submitted the report eight days after the deadline, a penalty of \$16,000 will be assessed. Funds will be permanently retained from subsequent releases of the monthly per member per month withholds until the full amount is collected.

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Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Stacy J. Guidry". The signature is written in a cursive, flowing style.

Stacy J. Guidry
Section Chief, Health Plan Management

SG/laj

cc: Steve Annison
Pam Diez
Marisa Naquin
Jen Steele
Kimberly Sullivan
AET2-11